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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

ALLTEL Corporate Services, Inc.
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Telephone: 202-783-3970 Facsimile: 202-783-3982

October 5, 1994

Office of the Secretary Federal Communications Commission Washington, DC 20554

RE: In the Matter of Eligibility for the Specialized Mobile Radio Services and Radio Services in the 220-222MHz Land Mobile Band and Use of Radio Dispatch Communications (GN Docket No. 94-90)

Enclosed for filing on behalf of ALLTEL Mobile Communications, Inc., are an original and nine copies of its comments in the above referenced matter.

Should there be any questions concerning this matter, please contact the undersigned counsel.

Sincerely, Carolyn Hul

Carolyn C. Hill

Federal Regulatory Counsel

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Enclosures

cc: Chief, Land Mobile and Microwave Division Private Radio Bureau 2025 M Street, NW, Room 5202 Washington, DC 20554

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OCT - 5 1994

Before the FEDERAL COMMUNICATIONS COMMISSION Washington, D.C. 20554

FEDERAL COMMUNICATIONS COMMISSION
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In the Matter of)				
Eligibility for the)	GN	Docket	No.	94-90
Specialized Mobile Radio)				
Services and Radio Services)				
in the 220-222 MHz Land)				
Mobile Band and Use of Radio)				
Dispatch Communications)				

To: The Commission

COMMENTS OF ALLTEL MOBILE COMMUNICATIONS, INC.

ALLTEL Mobile Communications, Inc., on behalf of itself and its subsidiaries (herein collectively referred to as ALLTEL), pursuant to Section 1.415(a) of the Rules, hereby submits its comments in support of the Commission's proposal, in the above-captioned Notice of Proposed Rule Making (NPRM), to eliminate the prohibition against the offering of dispatch services by common carriers.

I. Statement of Interest

1. ALLTEL, either directly or through its subsidiaries and partnership interests, provides cellular service to over 300,000 subscribers in nineteen states, in various MSAs and RSAs. As a licensee of, and applicant for, radio facilities in the Domestic Public Cellular Radio Telecommunications Service (DPCRTS), ALLTEL would be directly affected by the Commission's proposal to allow licensees of common carrier radio stations to provide two-way dispatch services to the public.

II. Regulatory Parity Mandates the Elimination of the Common Carrier Exclusion.

The 1993 Omnibus Budget Reconciliation Act (Pub. L. No. 103-66, Title VI, 6002(b)(2)(A), (B), 107 Stat. 312, 392 (1993) (the Budget Act) amended the Communications Act of 1934, as amended (the Act), to create a new regulatory framework for land mobile radio service providers. As a result of this legislation, the traditional distinction between private carriage and common carriage has been virtually eliminated, and many private mobile radio providers (e.g., SMR, private carrier paging systems¹, all for-profit interconnected services offered by Business Radio Service licensees, and commercial 220 MHz band licensees) are being reclassified as Commercial Mobile Radio Service (CMRS) providers where interconnected service is provided on a "for-profit basis." 2 So that the regulatory environment is equivalent for both traditional private carriers and common carriers, those licensees that are reclassified as CMRS providers will be regulated as common carriers in a manner similar to public mobile and cellular radio telephone licensees.

Private paging systems that only serve the licensee's internal communications needs retain their private mobile radio service status.

² Section 332 (d)(1) of the Act defines CMRS as "any mobile service that is provided for profit and makes interconnected service available (A) to the public or (B) to such classes of eligible users as to be effectively available to a substantial portion of the public, as specified by regulation by the Commission."

- 3. While the regulation of former private carriers as CMRS providers will be phased in over a three-year period through August 10, 1996, ALLTEL submits that any delay in lifting the dispatch-service prohibition against common carrier licensees would be neither equitable nor in the public interest. Historically, private carriers have been subject to less restrictive regulations than their common carrier counterparts, and often have been able to operate at a competitive advantage. As the Commission is well aware, the changes in the Budget Act are designed to equalize the regulatory constraints for both the traditional common carrier mobile service providers and private carriers who provide similar service, in order to ensure equal regulatory treatment and competitive opportunities. Indeed, ALLTEL believes that the objectives of the Budget Act require the elimination of the present restriction against the provision of dispatch service by common carrier radio licensees.
- 4. Under Part 90 of the Commission's Rules, private carriers may provide dispatch services to any entity that is engaged in a commercial activity. Licensees of SMR and private carrier paging systems may also serve individuals and federal government agencies. Because the marketplace has been artificially restricted by the ban on providing common carrier dispatch services, competition has been stymied. With increased competition from common carrier licensees, ALLTEL submits that end-user costs for service

should decrease and the quality of service increase as new, innovative technologies, such as digital transmissions, are brought into the marketplace by cellular and other common carrier licensees. By preventing major telecommunications entities from providing dispatch service, the Commission would not be fostering the vigorous marketplace competition that it seeks. These common carriers licensees are well positioned to provide effective dispatch services.

Accordingly, ALLTEL urges the immediate lifting of the prohibition against the provision of radio dispatch services by common carrier radio station licensees.

III. Common Carrier Dispatch Service is in the Public Interest.

- A. Cellular Licensees Should be Allowed to Use Cellular Plant to Provide Common Carrier Dispatch Services.
- 5. Proposed Rule Section 22.911(d) would allow the provision of dispatch services over frequencies allocated to the DPCRTS. This allocation is based on the Commission's recognition in the NPRM, that cellular telephone systems, particularly those operating in non-urbanized and rural areas, may have some capacity which is not being utilized to provide cellular telephone service to the public.

 Currently, Section 22.519 of the Commission's Rules prohibits cellular licensees such as ALLTEL from using their

excess cellular capacity to offer common carrier dispatch services³ to the public.

- The Commission has allowed, however, cellular carriers to use excess capacity on their cellular systems to offer a hybrid form of dispatch-type services where messages are routed to the end user's mobile units through the cellular switched network, without the intervention of a dispatcher. The Commission has allowed this hybrid dispatch service for a substantial period of time, and there is no indication that the public interest has been disserved by doing so. Now, where cellular systems have sufficient capacity, ALLTEL submits that allowing the cellular carriers to provide full dispatch services would be in the public interest because this would result in both effective and efficient spectrum usage and provide additional service options to the public. Accordingly, ALLTEL respectfully submits that the Commission's proposal to allow full dispatch service offerings by common carriers should be adopted.
 - B. Dispatch Services Will Allow for More Efficient Use of Public Mobile Frequencies.
- 7. Proposed Rule Section 22.519(a) will allow the provision of common carrier dispatch services in any of the

The Commission has traditionally defined dispatch communications as "[t]wo-way voice communications, normally of not more than one minute's duration, that is transmitted between a dispatcher and one or more land mobile stations, directly through a base station, without passing through the mobile telephone switching facilities." 47 C.F.R. §22.2.

public mobile frequency bands. ALLTEL supports the Commission's proposal and applauds the Commission's efforts to ensure that current two-way mobile spectrum can be put to use in an efficient manner. In those more populated regions where excess capacity on cellular systems may be limited, or where other business considerations militate against the use of cellular spectrum for dispatch services, common carrier radio station licensees will be able to provide dispatch service over existing common carrier two-way mobile frequencies that were formerly used by licensees in the Public Land Mobile Service to provide two-way mobile telephone service. It is well recognized that as cellular service has proliferated, the number of two-way mobile telephone systems in metropolitan and rural areas, alike, has significantly dwindled. This has occurred, for example, because cellular systems have nationwide roaming capabilities while two-way mobile telephone systems do not. As a result of the reduction in the number of these systems, much of the spectrum previously used to provide this service has become fallow in many areas of the country. Permitting common carriers to provide dispatch service would increase the utility of these duplex channels for two-way use. Accordingly, ALLTEL supports and applauds the Commission's efforts to promote the efficient use of existing spectrum by making the two-way mobile channels available for common

carrier licensees to provide necessary dispatch services to the public.

IV. Conclusion

8. The Commission should take immediate steps to lift the prohibition against common carrier dispatch services in the cellular and land mobile frequency bands. Allowing common carrier dispatch service is consistent with regulatory parity, and would serve the Commission's policies of ensuring a competitive market place and efficient use of the frequency spectrum.

WHEREFORE, for the reasons shown herein, ALLTEL supports the Commission's proposal to allow land mobile common carriers and cellular carriers to provide dispatch services to the public.

Respectfully submitted,

ALLTEL MOBILE COMMUNICATIONS, INC.

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Filed: October 5, 1994